

Internal Revenue Service, Treasury

§ 305.7871-1

refund or credit or otherwise, that he does not ratify such act. See paragraph (b) of §303.1-4, relating to relationship of Attorney General and former owner.

(c) All refund of taxes paid by the Attorney General shall be made directly to that official.

PART 304 [RESERVED]

PART 305—TEMPORARY PROCEDURAL AND ADMINISTRATIVE TAX REGULATIONS UNDER THE INDIAN TRIBAL GOVERNMENTAL TAX STATUS ACT OF 1982

Sec.

305.7701-1 Definition of Indian tribal government.

305.7871-1 Indian tribal governments treated as States for certain purposes.

AUTHORITY: Sec. 7805 (68A Stat. 917, 26 U.S.C. 7805) Internal Revenue Code of 1954.

SOURCE: T.D. 7952, 49 FR 19303, May 7, 1984, unless otherwise noted.

§ 305.7701-1 Definition of Indian tribal government.

(a) *Definition.* A governing body of a tribe, band, pueblo, community, village, or group of native American Indians, or Alaska Natives, qualifies as an Indian tribal government upon determination by the Internal Revenue Service that the governing body exercises governmental functions. Designation of a governing body as an Indian tribal government will be by revenue procedure. If a governing body is not currently designated by the applicable revenue procedure as an Indian tribal government, and such governing body believes that it qualifies for such designation, the governing body may apply for a ruling from Internal Revenue Service. In order to qualify as an Indian tribal government, for purposes of section 7701(a)(40) and this section, such governing body must receive a favorable ruling from the Internal Revenue Service. The request for a ruling shall be made in accordance with all applicable procedural rules set forth in the Statement of Procedural Rules (26 CFR part 601) and any applicable revenue procedures relating to the submission of ruling requests. The request shall be submitted to the Internal Revenue

Service, Associate Chief Counsel (Technical), Attention: CC:IND:S, room 6545, 1111 Constitution Avenue, NW., Washington, D.C. 20224.

(b) *Effective date.* The provisions of this section are effective after December 31, 1982.

§ 305.7871-1 Indian tribal governments treated as States for certain purposes.

(a) *In general.* An Indian tribal government, as defined in section 7701(a)(40) and the regulations thereunder, shall be treated as a State, and a subdivision of an Indian tribal government, as determined under section 7871(d) and paragraph (e) of this section, shall be treated as a political subdivision of a State, under the following sections and regulations thereunder—

(1) Section 170 (relating to income tax deductions for charitable, etc., contributions and gifts), sections 2055 and 2106(a)(2) (relating to estate tax deductions for transfers of public, charitable, and religious uses), and section 2522 (relating to gift tax deductions for charitable and similar gifts), for purposes of determining whether and in what amount any contribution or transfer to or for the use of an Indian tribal government (or subdivision thereof) is deductible;

(2) Section 164 (relating to deductions for taxes);

(3) Section 511(a)(2)(B) (relating to the taxation of colleges and universities which are agencies or instrumentalities of governments or their political subdivisions);

(4) Section 37(e)(9)(A) (relating to certain public retirement systems);

(5) Section 41(c)(4) (defining “State” for purposes of credit for contributions to candidates for public offices);

(6) Section 117(b)(2)(A) (relating to scholarships and fellowship grants);

(7) Section 403(b)(1)(A)(ii) (relating to the taxation of contributions of certain employers for employee annuities);

(8) Chapter 41 of the Code (relating to tax on excess expenditures to influence legislation); and

(9) Subchapter A of chapter 42 of the Code (relating to private foundations).

(b) *Special rule for excise tax provisions.* An Indian tribal government shall be treated as a State, and a subdivision of